

DEPARTMENT OF LIVESTOCK



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STATE OF MONTANA

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BEFORE THE BOARD OF MILK CONTROL
OF THE STATE OF MONTANA
ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

PUBLISHED: February 5, 1999
EFFECTIVE: March 1, 1999
12:01 a.m.

PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

CLASS I PRICE FOR MILK TESTING 3.5%

\$18.82 /CWT

EFFECTIVE MARCH 1, 1999:

The minimum price to pay milk producers, under ARM 32.24.301, is \$18.82 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of eleven and one-half cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be \$1.15.

CLASS I BUTTERFAT PRICE PER POUND

\$1.15 /LB

PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

CLASS II PRICE FOR MILK TESTING 3.5%

\$11.82 /CWT

Average spray process dry milk solids

price per pound = \$1.07875

Multiplied by 8.2 x 8.2

\$8.84575

PLUS +

Last quote of the month for Grade AA butter

minus a differential of \$.0895 \$0.97050

Multiplied by 4.2 x 4.2

\$4.07610

+ \$4.07610

LESS 8.5% (\$12.92185 X .085)

\$12.92185

- \$1.09836

\$11.82349

STATE DOCUMENTS COLLECTION

MONTANA STATE LIBRARY
1515 E. CH. AVE.
HELENA, MONTANA 59601

PLEASE RETURN

CLASS II BUTTERFAT PRICE PER POUND**\$1.10 /LB**

Butterfat differential	\$0.97050 X .111)	=	\$0.10773
Rounded to the nearest half cent		=	\$0.110

CLASS II VALUE OF ONE POUND OF SKIM**0.082590674 /LB**

Butterfat value per pound for milk at 3.5% test:	\$1.10
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Hundredweight price of milk testing 3.5% LESS 3.5 pounds of butterfat at	\$1.10 per pound	=	\$11.82
		=	\$3.850

Value of 96.5 pounds of skim		=	\$7.970
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Value of one pound of skim	7.970 / 96.5 pounds)	=	\$0.08259 /LB
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PRODUCER CLASS III PRICE IN MONTANA

REF: ARM 32.24.301(5)

CLASS III BUTTERFAT PRICE PER POUND**\$0.87 /LB**

Last quote of the month for Grade AA butter minus a difference of \$.0895	=	\$0.97050
LESS 10%		\$0.09705
		\$0.87345

Rounded to the nearest whole cent	\$0.87 per pound.
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CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED**7.34197 /CWT**

Avg. spray process dry milk solid price/lb	\$1.07875
Multiplied by 8.2	8.2

	\$8.84575
LESS 17%	\$1.50378

\$7.34197

Rounded to the nearest whole cent	\$7.34 per hundredweight.
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CLASS III PRICE PER CWT FOR MILK TESTING 3.5%**\$10.13 /CWT**

3.5 pounds of butterfat	\$0.87 per pound =	\$3.045
96.5 pounds of skim	\$0.07342 per pound =	\$7.085

, \$10.130 /CWT

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

Compiled by:

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 Marlys M. Koontz, Program Specialist
 Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON \$18.82 FOR 3.5% MILK 96.5 LBS = \$14.795		CLASS II SKIM PRICE BASED ON \$11.82 FOR 3.5% MILK 96.5 LBS = \$7.970		CLASS III SKIM PRICE BASED ON \$10.13 FOR 3.5% MILK 96.5 LBS = \$7.085	
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.15174	2.50	\$0.08174	2.50	\$0.07267
2.55	\$0.15182	2.55	\$0.08179	2.55	\$0.07270
2.60	\$0.15190	2.60	\$0.08183	2.60	\$0.07274
2.65	\$0.15198	2.65	\$0.08187	2.65	\$0.07278
2.70	\$0.15206	2.70	\$0.08191	2.70	\$0.07282
2.75	\$0.15213	2.75	\$0.08195	2.75	\$0.07285
2.80	\$0.15221	2.80	\$0.08200	2.80	\$0.07289
2.85	\$0.15229	2.85	\$0.08204	2.85	\$0.07293
2.90	\$0.15237	2.90	\$0.08208	2.90	\$0.07297
2.95	\$0.15245	2.95	\$0.08212	2.95	\$0.07300
3.00	\$0.15253	3.00	\$0.08216	3.00	\$0.07304
3.05	\$0.15260	3.05	\$0.08221	3.05	\$0.07308
3.10	\$0.15268	3.10	\$0.08225	3.10	\$0.07312
3.15	\$0.15276	3.15	\$0.08229	3.15	\$0.07315
3.20	\$0.15284	3.20	\$0.08233	3.20	\$0.07319
3.25	\$0.15292	3.25	\$0.08238	3.25	\$0.07323
3.30	\$0.15300	3.30	\$0.08242	3.30	\$0.07327
3.35	\$0.15308	3.35	\$0.08246	3.35	\$0.07331
3.40	\$0.15316	3.40	\$0.08251	3.40	\$0.07334
3.45	\$0.15324	3.45	\$0.08255	3.45	\$0.07338
3.50	\$0.15332	3.50	\$0.08259	3.50	\$0.07342
3.55	\$0.15340	3.55	\$0.08263	3.55	\$0.07346
3.60	\$0.15348	3.60	\$0.08268	3.60	\$0.07350
3.65	\$0.15355	3.65	\$0.08272	3.65	\$0.07353
3.70	\$0.15363	3.70	\$0.08276	3.70	\$0.07357
3.75	\$0.15371	3.75	\$0.08281	3.75	\$0.07361
3.80	\$0.15379	3.80	\$0.08285	3.80	\$0.07365
3.85	\$0.15387	3.85	\$0.08289	3.85	\$0.07369
3.90	\$0.15395	3.90	\$0.08293	3.90	\$0.07373
3.95	\$0.15403	3.95	\$0.08298	3.95	\$0.07376
4.00	\$0.15411	4.00	\$0.08302	4.00	\$0.07380
4.05	\$0.15419	4.05	\$0.08306	4.05	\$0.07384
4.10	\$0.15428	4.10	\$0.08311	4.10	\$0.07388
4.15	\$0.15436	4.15	\$0.08315	4.15	\$0.07392
4.20	\$0.15444	4.20	\$0.08319	4.20	\$0.07396
4.25	\$0.15452	4.25	\$0.08324	4.25	\$0.07400
4.30	\$0.15460	4.30	\$0.08328	4.30	\$0.07403
4.35	\$0.15468	4.35	\$0.08332	4.35	\$0.07407
4.40	\$0.15476	4.40	\$0.08337	4.40	\$0.07411
4.45	\$0.15484	4.45	\$0.08341	4.45	\$0.07415
4.50	\$0.15492	4.50	\$0.08346	4.50	\$0.07419

PRODUCER CLASS I PRICE IN MONTANA

Charts below show a class I price comparison for 1998 and 1999

Statistics from the Montana Milk Control Bureau

Month	1998	1999	Difference	% Change
January	\$15.51	\$19.39	\$3.88	25.02%
February	\$15.84	\$19.89	\$4.05	25.57%
March	\$15.80	\$18.82	\$3.02	19.11%
April	\$15.87			
May	\$15.36			
June	\$14.56			
July	\$13.43			
August	\$15.65			
September	\$17.32			
October	\$17.54			
November	\$17.65			
December	\$18.59			
Average	\$16.09	\$19.37	\$3.65	23.23%

Prices are per hundredweight (CWT).

